



## **UPDATE: Legislative Alert - Call to Action**

### **Legislation Passed to Delay Caps and Cuts for Two Months**

The House of Representatives has passed legislation to extend the payroll tax break, fee schedule update, rural payment update, therapy cap exception extension and other end year provisions. The Senate also passed the measure which was signed by the President. This action will delay the 27.4% fee schedule reduction on January 1, 2012, maintain the 1.0 GPCI floor on rural payments, and provides for a continuation of the exceptions process to the \$1880 therapy cap until February 29, 2012.

We will continue to monitor and report on the situation when Congress returns in 2012, and the two chambers try to come to agreement about how to prevent the cuts and caps going into effect on March 1, 2012.

Please continue to press your [senators](#) and [congressmen](#) on this issue. It is important for the hand therapy profession and our patients that we continue to call for action. Thank you for your continued support on these issues.

### **Help Us Track Legislative Activity**

Please forward a copy of your letter to [ASHT@asht.org](mailto:ASHT@asht.org). This allows us to track our legislative activity and provide information to our parent organizations about how ASHT members are supporting common legislative initiatives.

### **RECAP:**

The following Medicare Cap changes are proposed:

- Duration: Provides a two-year extension of the exceptions process.
- Modifier: Mandates consistent use of the KX modifier at the cap (\$1,880 for 2012)
- Manual Medical Review: Starting on July 1, 2012, patients who meet or exceed \$3,700 in therapy expenditures will be subject to a manual medical review. The legislation designates that this medical review will be similar to the process used following DRA implementation in 2006. The \$3,700 threshold will be applied to the combined PT/Speech cap and a separate \$3,700 threshold will be applied to the OT cap. CMS must implement these changes in a timely manner and may do so through program instruction.
- NPI: Starting July 1, 2012, each request for payment must include the national provider identifier of the physician who currently periodically reviews the plan of care.
- Outpatient Hospital Settings: Starting January 1, 2012 the provisions of this language will apply to hospital outpatient setting.

-MedPAC: Not later than March 1, 2013, MedPAC shall submit to the House Energy and Commerce Committee, House Ways and Means Committee and the Senate Finance Committee a report on how to improve the outpatient therapy benefit. The report will include recommendations on how to reform the payment system so that the benefit is better designed to reflect individual acuity, condition and therapy needs of the patient.

The Republican House proposal includes updates to the Medicare Physician Fee Schedule Sustainable Growth Rate (SGR) for 2012 and 2013 by 1%. This negates a scheduled 27.4% reduction in payments to providers (including physical therapists that bill the MPFS).

**SUMMARY:**

**Your action is needed to move this process forward!**

Contact your [senators](#). Urge them to support the Medicare cap extension and revisions to the Physicians Fee Schedule contained in the Middle Class Tax Relief and Job Creation Act.

Below, we have included a sample communication you can use or modify with your own thoughts and personal experiences:

*As a concerned constituent and Occupational/Physical Therapy practioner, I am writing to urge you to support the Middle Class Tax Relief and Job Creation Act. This important legislation will stop the implementation of devastating Medicare cuts to the coverage of therapy services that are currently set to be implemented January 1, 2012.*

*The proposed legislation will modify the Medicare Therapy Cap by providing a two year extension to the exception process. Medicare recipients who suffer devastating injuries and illness would no longer be faced with an arbitrary dollar limit on out-patient rehabilitation services necessary to restore health and functional abilities.*

*The legislation would also address the scheduled 27.4% across the board reduction to the Medicare Fee Schedule. This cut would severely impact services to patients and could cause therapy practices to be unable to treat Medicare beneficiaries. The new proposal includes updates to the Medicare Physician Fee Schedule Sustainable Growth Rage for 2012 and 2013.*

*Thank you for your support of The Middle Class Tax Relief and Job Creation Act to preserve Medicare recipient's access to crucial rehabilitation services.*

**Please take action today.**

**Thank you for your support.**

American Society of Hand Therapists  
15000 Commerce Parkway, Suite C  
Mount Laurel, NJ 08054  
Phone: 856.380.6856  
Fax: 856.439.0525  
[www.asht.org](http://www.asht.org)